

BOARD DOCUMENT 08-08

Indiana Board of Accountancy
Minutes of Meeting
Held on
August 15, 2008

Indiana Professional Licensing Agency
Indiana Government Center-South
402 West Washington Street
Room W064
Indianapolis, IN 46204

MEMBERS PRESENT: Cynthia Peck, CPA, Chairman
Timothy Deisher, CPA, Vice Chairman
Shelley Johnson, CPA
Michael Flowers, CPA

MEMBERS ABSENT: Randolph G. Holt, JD,

STATE OFFICIALS PRESENT: James Schmidt, Deputy Attorney
General

MINUTES COMPLIED AND
TRANSCRIBED BY: Deborah Widemon, Board Director

MINUTE NO. 08-69

CALL TO ORDER AND ESTABLISHMENT OF QUORUM

The meeting was called to order at 10:00 a.m. on August 15, 2008 pursuant to public notice posted at the principal office of the Board at least forty-eight (48) hours prior to the meeting. A copy of the agenda is attached to the minutes and marked as **BOARD EXHIBIT 08-08A**.

The Board expressed their thanks to Joseph Higgins, PA for his distinguished service on the Board. They also noted that he never missed a meeting in five (5) years of serving on the Board.

MINUTE NO. 08-70

ADOPTION OF THE AGENDA

T. Deisher moved to adopt the agenda. M. Flowers seconded the motion. Motion carried.

MINUTE NO. 08-71

**ADOPTION OF THE MINUTES FROM THE JULY 18, 2008 MEETING OF THE
BOARD**

S. Johnson moved to adopt the minutes of July 18, 2008 as amended. M. Flowers seconded the motion. Motion carried.

MINUTE NO. 08-72

PUBLIC HEARING – LSA DOCUMENT # 08-293

RE: PROPOSED RULE REGARDING CONTINUING PROFESSIONAL EDUCATION

Cynthia Peck, Chairman conducted the rule hearing on LSA Document #08-293 regarding amending the CPE rules. Public comments were solicited and the following comments were offered:

Stephen Haworth – Expressed concerns about 872 IAC 1-3-5.1(3) requiring CPE sponsors to periodically review their course materials for accuracy. Mr. Haworth informed the Board that this provision can not be enforced because the Board does not approve CPE sponsors and thus, there is no way of ensuring that the sponsor is complying with the rule.

Medana Davis - Informed the Commission that the Legislative Service Agency (LSA) had concerns about the use of the term “gender neuter”.

S. Johnson moved to adopt the rule as published. T. Deisher seconded the motion. M. Flowers opposed the motion. Motion failed.

The Board decided to table this matter until the September 19, 2008 meeting. Jim Schmidt advised the Board that this delay should not delay approval of the rule by the end of the year.

MINUTE NO. 08-73

ADMINISTRATIVE HEARING

IN THE MATTER OF THE LICENSE OF LEONARD TITONE, LICENSE NO.: CP18900405, ADMINISTRATIVE CAUSE NO.: IBA 08-14 – RE: PETITION FOR REINSTATEMENT

Mr. Titone appeared without counsel to request reinstatement of his certified public accountant (CPA) license. Joseph Basile, Deputy Attorney General represented the State of Indiana.

Mr. Titone testified that he has complied with the final order of the Board filed on May 8, 2008 and would like to request reinstatement of his CPA license.

Mr. Titone explained the circumstances that led to his conviction of a Class D felony, Attempted Obstruction of Justice. He further explained that a hearing is scheduled next week to consider reducing the class D felony to a Class A misdemeanor.

Mr. Basile informed the Board that Mr. Titone has paid the civil penalty and has complied with the final order; and that the State has no objection to reinstating Mr. Titone's CPA license.

The Board expressed concerns with the conviction of a Class D felony and would like to receive information on the outcome of the hearing before rendering a decision on reinstatement. The Board also requested that Mr. Titone submit a written statement on the results of the hearing by September 19, 2008.

MINUTE NO. 08-74

PERSONAL APPEARANCE

JOSEPH JOYNER, LICENSE NO.: CP18580387, ADMINISTRATIVE CAUSE NUMBER: IBA 07-20 – RE: PERSONAL APPEARANCE

Mr. Joyner did not appear and was not represented by counsel. Jim Schmidt suggested that the appearance be rescheduled for the September meeting. He also suggested that Mr. Joyner be mailed another letter by certified mail and that this letter remind him of the terms of his final order.

MINUTE NO. 08-75

DELIBERATIONS AND POSSIBLE ISSUANCE OF A FINAL ORDER IN THE MATTER OF THE LICENSE OF DICKERSON & PRALL ACCOUNTING, PC, LICENSE NO.: CR39400009 – RE: PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

The Board reviewed the Proposed Findings of Fact, Conclusions of Law and Order and expressed concerns with the recommended discipline. T. Deisher moved to disapprove the Proposed Findings of Fact, Conclusions of Law, and Order. S. Johnson seconded the motion. Motion carried.

MINUTE NO. 08-76

GRANTING AND DENYING PETITION FOR REVIEW AND APPOINTMENT OF ADMINISTRATIVE LAW JUDGE – SCHNEIDER DOWNS & CO., INC., RE: PETITION FOR REVIEW OF DENIAL OF PROFESSIONAL CORPORATION LICENSE

Schneider Downs & Co., Inc. submitted a timely petition for review of denial of their professional corporation application. T. Deisher moved to grant the petition for review and appoint Randy Holt as the administrative law judge. S. Johnson seconded the motion. Motion carried.

MINUTE NO. 08-77

RENEWED MOTION FOR VOLUNTARY DISMISSAL BY PETITIONER IN THE MATTER OF THE LICENSE OF WILLIAM R. HANNA, LICENSE NUMBER: CP08556596

The Board reviewed the renewed motion for voluntary dismissal in this matter. Jim Schmidt reminded the Board of the circumstances in this matter and the Board decided to defer the matter until next month's board meeting.

MINUTE NO. 08-78

OLD/NEW BUSINESS

PROJECTS

PROJECT 01-03

RE: POTENTIAL AMENDMENTS TO IC 25-2.1 AND TITLE 872 OF THE INDIANA ADMINISTRATIVE CODE

No new information discussed.

PROJECT 05-01

RE: CERTIFIED PUBLIC ACCOUNTANT EXAMINATION SITE VISITS

No new information discussed.

REVIEW OF CONTINUING PROFESSIONAL EDUCATION (CPE) AUDITS

HERMAN MEURY, CP18570596 - RE: RESPONSE TO NOTICE OF IMMEDIATE SUSPENSION

Mr. Meury's license was suspended for not submitting the civil penalty timely. He has since submitted the required civil penalty of \$400.00 along with the forty (40) hours of make up CPE to include two (2) hours of ethics for accountants and twelve (12) hours of accounting and auditing.

T. Deisher moved to reinstate Mr. Meury's license to an active status. S. Johnson seconded the motion. Motion carried.

STEPHEN WACHTMAN, CPA EXAMINATION CANDIDATE - RE: REQUEST FOR EXTENSION OF TIME TO SIT FOR THE CPA EXAMINATION

The Board reviewed and considered all the information submitted by Mr. Wachtman in support of his request for an extension of time on the expiration date for the FAR section which expires on August 31, 2008 and the AUD section, which expires on October 31, 2008. S. Johnson moved to extend the expiration date for the FAR section until October 31, 2008. T. Deisher seconded the motion. Motion carried.

QUALITY REVIEW EXEMPTIONS

The Board considered the need for an exemption for a quality review for firms commencing any attest or compilation work during the last year of the licensure period. Jim suggested that the current proposed rule on quality review be amended to address this problem. The Board requested that this subject be placed on the on September agenda for discussion.

MINUTE NO. 08-79

ACTION ON APPLICATIONS - RE: INITIAL APPLICATIONS, RECIPROCITY APPLICATIONS, TRANSFER OF GRADES APPLICATIONS, PROFESSIONAL CORPORATION APPLICATION, AND EXAMINATION APPLICATIONS

During the applications committee meeting the Board considered issuance of a license for the above stated applications. T. Deisher moved to accept the applications as indicated on each folder. M. Flowers seconded the motion. Motion carried.

A list of applicants reviewed is attached and marked as **BOARD EXHIBIT 08-08C**.

MINUTE NO. 08-80

STANDING REPORTS

BOARD LIAISON TO THE ATTORNEY GENERAL'S OFFICE - MICHAEL FLOWERS

No new information submitted.

INDIANA PROFESSIONAL LICENSING AGENCY - DEBORAH WIDEMON

Deborah Widemon, Board Director submitted the monthly licensee count for the Board's review and the status of each proposed rule.

ADVISORY COUNSEL - JAMES SCHMIDT

No new information submitted.

MINUTE NO. 08-81
DISCUSSION

NATIONAL ASSOCIATION OF STATE BOARDS OF ACCOUNTANCY (NASBA)
-CBT STEERING GROUP-SECOND QUARTR 2008
-COMMUNICATIONS FROM NASBA

The Board reviewed and noted the above correspondence.

PUBLIC ACCOUNTING OVERSIGHT BOARD (PCAOB)
-PCAOB INSPECTION REPORTS

Jim Schmidt, Legal Advisor for the Board will review the material and report back to the Board.
The Board requested that this item be placed on the September board meeting agenda.

MINUTE NO. 08-82
ADJOURNMENT

There being no further business, the meeting adjourned at 12:15 p.m.

DATE: _____

Cynthia Peck, Chairperson

ATTEST:

Deborah Widemon, Board Director